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SB-677, AN ACT ESTABLISHING TAX INCREMENTAL FINANCING DISTRICTS

The Connecticut Council of Small Towns (COST) supports **SB-677**, which authorizes the creation of tax incremental financing districts to fund infrastructure improvements and development projects.

In many other states, tax incremental financing is a powerful tool in financing much-needed infrastructure projects to enhance our local economies. SB-677 will help Connecticut towns and cities pursue tax incremental financing by 1) streamlining the approval process; 2) lowering the overall financing costs by allowing towns to issue GO bonds; 3) allowing TIF revenue to be set aside to fund future projects; and 4) authorize towns to expend a portion of the TIF revenues to fund public services in support of the development.

Tax Incremental Financing could certainly be a tremendous opportunity to utilize non-state resources to invest in infrastructure and development projects within our communities.

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